

ORDER
of the Court of Appeal of the Unified Patent Court
issued on 17 July 2026
concerning an appeal in a revocation action

KEYWORDS

- Art. 69 (1) and Art. 69 (2) UPCA; Disposal of the action pursuant to R. 360 RoP after surrender the patent;

APPELLANT (AND DEFENDANT BEFORE THE COURT OF FIRST INSTANCE)

FUJIFILM Corporation, Tokyo, Japan
(hereinafter referred to as Fujifilm)

represented by: Sören Dahm and other attorneys at law of the law firm Kather Augenstein, Düsseldorf, Germany

RESPONDENT (AND CLAIMANT BEFORE THE COURT OF FIRST INSTANCE)

Kodak, S.A., Madrid, Spain
(hereinafter referred to as Kodak)

represented by: Anton Porsche, attorney at law of the law firm Freshfields, Munich, Germany

PATENT AT ISSUE

EP 4 082 804

LANGUAGE OF THE CASE

English

PANEL AND DECIDING JUDGES

This order was issued by Panel 2

Rian Kalden, presiding judge and judge-rapporteur

Patricia Rombach, legally qualified judge

Ingeborg Simonsson, legally qualified judge

Lorenzo Parrini, technically qualified judge

Max Tilmann, technically qualified judge

ORAL HEARING

The parties agreed to dispense with the oral hearing and the Court of Appeal decides the case based on the written pleadings.

IMPUGNED DECISION OF THE COURT OF FIRST INSTANCE

Central Division Paris, 14 July 2025, revocation action in UPC_CFI_724/2024

SUMMARY OF FACTS (INSOFAR AS RELEVANT)

1. Fujifilm was the registered proprietor of the European patent EP 4 082 804 (patent at issue) entitled “lithographic printing plate precursor, method of producing lithographic printing plate, and printing method” which was filed on 25 December 2020.
2. The patent had unitary effect in the UPC Contracting Member States Austria, Belgium, Bulgaria, Germany, Denmark, Estonia, Finland, France, Italy, Lithuania, Luxembourg, Latvia, Malta, Netherlands, Portugal, Sweden and Slovenia.
3. On 14 November 2024, Kodak Graphic Communications GmbH, another company within the Kodak group, filed an opposition against the patent at issue with the EPO. Notification of the opposition to Fujifilm was made on 28 November 2024.
4. On 23 December 2024, Kodak filed a revocation action against the patent at issue before the Central Division Paris (CDP). This was served to Fujifilm on 27 January 2025.
5. On 27 March 2025, Fujifilm filed an application to dispose of the action. Fujifilm affirmed having unambiguously declared to the EPO the surrender of the patent at issue and requested the CDP – insofar as relevant on appeal – to dispose of the action (UPC_CFI_724/2024) and to order that Kodak shall bear the costs of the proceedings or, in the alternative, that the parties bear their own costs.
6. On 27 May 2025, Kodak joined Fujifilm’s request that the CDP dispose of the revocation action and requested the CDP – insofar as relevant on appeal – to dispose of the revocation action in accordance with Fujifilm’s request and to order that Fujifilm shall bear the costs of the proceedings.
7. The CDP considered that the burden of proof to demonstrate that Fujifilm would have surrendered the patent prior to filing of the action for revocation is on Fujifilm and stated that there were no exceptional circumstances that would justify a deviation from the principle set out in Article 69 (1) UPCA.
8. The CDP disposed of the revocation action (UPC_CFI_724/2024) and Fujifilm was ordered to bear the costs of proceedings.
9. Fujifilm timely filed the appeal on 11 September 2025.

PARTIES' REQUESTS

10. Fujifilm requests (in summary) that the Court of Appeal:
 - set aside the decision of the Central Division (Paris Seat) dated 14 July 2025, case no. UPC_CFI_724/2024 under item 3.
 - order that Kodak shall bear the costs of the proceedings at first instance and on appeal, or as an auxiliary request order that the costs be apportioned equitably.
11. Kodak requests that the appeal be dismissed and that Fujifilm bears the costs of the proceedings at first instance and on appeal.

SUBMISSIONS OF THE PARTIES

12. Fujifilm brings forward that the CDP when deciding costs failed to consider all circumstances of the individual case. It alleges that the Court must first determine whether Fujifilm's behaviour reasonably led Kodak to assume that Kodak would not be able to obtain justice other than by taking legal action and consider whether Kodak's claim would have been met prior to the proceedings if Fujifilm had been asked to surrender its patent.
13. Fujifilm contends that, at the time the revocation action was filed, Fujifilm had not given rise to the action and there was no reason to believe court proceedings were necessary. There was no infringement allegation, no warning letter requesting the surrender of the patent or prior correspondence, a pending opposition in which Fujifilm had not yet responded and Fujifilm had not defended the patent's validity.
14. Fujifilm maintains that it would have surrendered the patent if requested and points to its immediate surrender and disposal request. According to Fujifilm the CDP did not properly address its arguments, failed to explain why no exceptional circumstances existed and failed to follow the Court of Appeal's case law.
15. Kodak agrees with the order of the CDP that there are no exceptional circumstances which could justify deviated from Art. 69 (1) UPCA and that by surrendering the patent at issue, Fujifilm placed itself in the position of the unsuccessful party.

GROUND

16. The appeal is admissible and successful.
17. As a general rule, the unsuccessful party must bear the reasonable and proportionate legal costs and other expenses incurred by the successful party (Art. 69 (1) UPCA). Exceptions apply if a party is only partially successful or if there are exceptional circumstances which justify a different allocation of costs from an equity perspective (Art. 69 (2) UPCA).
18. In its order of 4 October 2024 in UPC_CoA_2/2024 (*Meril v Edwards*), the Court of Appeal clarified how costs should be allocated when proceedings are disposed of under R. 360 RoP following a defendant's undertaking to comply with the claimant's requests (e.g. through a cease-and-desist undertaking). The Court held (para 14 et seq.) that the "successful party" under Art. 69(1) UPCA must be determined in light of the specific circumstances, particularly the parties' requests and the content of the defendant's undertaking. As a general rule, where the defendant complies with the claimant's claims after proceedings have been instituted, the claimant is to be regarded as the successful party, without the need to examine the admissibility or merits of the action at the time the undertaking is given.

19. Principles of equity may require the prevailing claimant to bear costs if, in short, the claimant caused unnecessary costs by bringing proceedings against a defendant who did not give rise to the action (*Meril v Edwards*, para. 29). This may be the case, for example, if a claimant initiates proceedings without first sending a warning letter and the defendant issues a cease and-desist declaration and undertakes to comply with the claimant's requests immediately at the beginning of the proceedings (*Meril v Edwards*, para. 15).
20. The purpose of this approach is to avoid unnecessary litigation and costs, and to ensure fairness by considering the parties' pre-litigation conduct rather than requiring a full examination of the merits.
21. In its order of 26 March 2025, UPC_CoA_290/2024 (*Stäubli v X*) the Court of Appeal held that the same applies if the patent holder surrenders its patent after the Statement for revocation has been filed.

Giving rise to cause for action

22. Fujifilm did not give rise to cause for action. Fujifilm has rightly pointed out that it had not threatened to assert the patent at issue against the Kodak companies. There was no warning letter or other communication between the parties regarding the patent at issue. Pending litigation between the parties based on other patents asserted by Fujifilm, to which Kodak has pointed, cannot be considered to be a threat of litigation based on the patent at issue (thus giving cause for an action).
23. The fact that Fujifilm had not yet responded or surrendered its patent following the opposition proceedings initiated by another Kodak company on 14 November 2014 by 23 December 2024, when Kodak lodged its revocation action, cannot be considered an indication that Fujifilm would not surrender its patent. Kodak lodged its revocation action less than four weeks after the opposition was notified to Fujifilm on 28 November 2024, while - as Fujifilm has uncontested by Kodak stated - the opposition statement was about 100 pages long, asserting several citations, and the time period for response to the opposition is 4 months. Fujifilm was under no obligation to inform Kodak of its own motion about its intention to either defend or surrender its patent before the end of that time period.
24. Even if the opposition proceedings initiated by another Kodak company could be considered as a prior warning of an invalidity attack by Kodak, the time allowed for answering it must be considered to be equal to the time period for filing the response, so 4 months. Therefore, Kodak should either have waited until the end of the response term in the opposition proceedings to conclude whether Fujifilm gave cause to an action, or it should have sent a separate letter requesting Fujifilm to surrender its patent if it wanted to know earlier. Kodak did neither of the two.
25. Kodak has furthermore pointed to the fact that in the opposition proceedings, Fujifilm on 5 December 2024 requested a change of representatives, to change to attorneys involved in other pending UPC proceedings based on two other patents asserted by Fujifilm. Contrary to Kodak's argument, this request, only one week after Fujifilm was notified of the opposition proceedings, cannot lead to the conclusion that Fujifilm was preparing to defend its patent. Fujifilm may as well have wished advice from its patent attorney familiar with the other proceedings on whether to surrender the patent at issue.
26. Kodak also mentioned that Fujifilm requested an extension of the time limit for its response in opposition on 13 January 2025. This is after the filing of the revocation action and thus not relevant for the issue of Fujifilm giving cause to the action that Kodak lodged on 23 December 2024. Kodak cannot have acted in response to this later request.
27. Even if the content of the letter requesting a time extension ('in order to prepare and file a comprehensive response to all the objections raised') could be understood that Fujifilm initially wished

to defend its patent, cannot be considered relevant for the issue of whether Kodak gave rise to the cause of action. That has to be determined at the time when that action was lodged and at that time Kodak was not aware of and thus could not have relied on Fujifilm's request for a time extension at the time of lodging its revocation action.

28. It follows that under the relevant circumstances of the case, Kodak was not entitled to assume that initiating a revocation action was necessary to obtain revocation of the patent.
29. Kodak is of course right in saying that it was under no obligation to await the outcome of the opposition proceedings initiated by another group company and also that opposition proceedings and revocation proceedings before the UPC may be brought in parallel. That right is not disputed. At stake is only the question of who shall bear the costs of revocation proceedings if the patentee has not given rise to such an action and surrenders its patent immediately at the beginning of the revocation proceedings.

Surrender immediately at the beginning of the proceedings

30. A declaration of surrender is made immediately at the beginning of the proceedings if it is within the time period applicable to the Defence to revocation (see *Stäubli v X*, para. 36).
31. Fujifilm filed an application to dispose of the action under R. 360 RoP with the Paris CD on 27 March 2025. The time period for lodging a Statement of defence ended on that date (cf R. 49 RoP) and therefore it was made within the applicable time limit. Since Fujifilm declared the surrender of the patent at issue to the European Patent Office on 26 March 2025, Fujifilm also complied with the requirement that a request for revocation of the patent pursuant to Art. 105a EPC is filed with the European Patent Office within the time limit for filing a defence for revocation. It has not been disputed that the fee required for this has been timely paid.

Conclusion

32. The conclusion from the above must be that Kodak has to bear the costs of the revocation action against the patent at issue both at first instance and on appeal because it unnecessarily initiated these proceedings.
33. The cost decision of the impugned order shall therefore be set aside.

ORDER

- I. The cost decision under 3. of the impugned order is set aside.
- II. Kodak shall bear the costs of the proceedings at first instance and on appeal.

Issued on 17 July 2026

Rian Kalden, presiding judge and judge-rapporteur

Patricia Rombach, legally qualified judge

Ingeborg Simonsson, legally qualified judge

Max Tilmann, technically qualified judge

Lorenzo Parrini, technically qualified judge